

Dear Shareholders,

We are pleased to submit for your approval the final step in the restructuring of Polyphor. After a thorough review and evaluation of the strategic options, the Board of Directors and Executive Committee recommend to you to combine the businesses of Polyphor AG (“Polyphor”) and EnBiotix Inc. (“EnBiotix”) by way of an exchange of EnBiotix shares for new Polyphor shares, subject to your approval and other customary conditions. EnBiotix, a privately held late clinical-stage rare disease company based in Boston, USA, currently focuses on products for rare, chronic respiratory diseases. We believe that the combination of the two companies can build on an attractive portfolio of clinical stage product candidates, a strong management team and financial resources, and will be well positioned to create value for shareholders.

Following the negative outcome of the Phase III study with balixafortide in advanced breast cancer, a restructuring of the Polyphor business was necessary. The Board of Directors and management evaluated numerous product opportunities and companies in and outside Switzerland. After a thorough evaluation process, we have identified and are proposing the merger with EnBiotix as the preferred opportunity for Polyphor shareholders. The proposed merger of Polyphor and EnBiotix is aimed at building a clinical stage biotechnology company with significant growth potential in attractive therapeutic areas with substantial unmet medical needs. In the short term, the merger will create a late-stage clinical development company with two clinical programs in cystic fibrosis. The combined company plans to advance its pipeline through several clinical trials and strategic transactions to become a rare disease and oncology company in the mid-term.

Assuming completion of the merger, the combined company's initial pipeline will include:

- ColiFin[®] which EnBiotix has in-licensed from PARI Pharma GmbH, a global leader in nebulized therapies, for worldwide rights ex-Europe. Approved in Europe since 2010 as a front-line therapy for lung infections in cystic fibrosis (CF), ColiFin[®] has a proven safety, efficacy, and commercial track record which the combined company will leverage towards the U.S. and global markets - and both within and outside the field of CF.
- Inhaled murepavadin, a novel class inhaled antibiotic specifically targeting *P. aeruginosa*, is being developed for the treatment of these infections in people with CF and is beginning Phase I development using eFlow[®] Technology nebulizer (PARI Pharma GmbH).
- EBX-002, a combination of amikacin (AMK) and a potentiator molecule for Nontuberculous Mycobacteria (NTM) infections which preclinical studies to date have shown potential for superior activity compared to ARYKACE[®].
- Polyphor's new CXCR4 inhibitors focused on orphan, hematological malignancies.
- Polyphor's early stage antibiotics targeting WHO Priority 1 pathogens funded by CARBX.

The combined company plans to advance its pipeline through multiple clinical trials and strategic transactions to build a rare disease and oncology company, as follows:

- Initiation of a single Phase III trial of ColiFin[®] for the treatment of CF patients, upon completion of which the combined company plans to seek FDA approval in the US.
- Initiation of a Phase I trial of inhaled murepavadin for the treatment of CF patients.
- Additional oncology and non-oncology indications for balixafortide will be evaluated in collaboration with Fosun Pharma who owns rights to balixafortide in China.
- Combined company aims to in-license or acquire other rare disease and oncology assets post-closing that will consolidate its position in these therapeutic areas.

Employees, Board of Directors and Management team

The proposed merger is expected to have limited impact on the employees of Polyphor based in Allschwil. Upon completion of the merger, Jeffrey D. Wager, currently Chairman and CEO of EnBiotix, is expected to become Chairman of the Board of Directors and Chief Executive Officer of the combined company replacing the current CEO, Gökhan Batur, who will oversee the next steps until the closing of the merger. Andreas Wallnöfer, Silvio Inderbitzin and Hugh O'Dowd will resign as Board members. Kuno Sommer and Bernard Bollag, current members of the Board of Directors at Polyphor will remain as board members. Dennis Ausiello, Dan Hartman and Robert Clarke, current members of the Board of Directors at EnBiotix are nominated as members of the Board of Directors of the combined company.

Hernan Levett, Polyphor's current CFO, will continue as CFO of the combined company. Juergen Froehlich, Chief Medical Officer at EnBiotix, is to become CMO of the company. Jeffrey Wager and Juergen Froehlich are experienced executives with a long and successful track record in the biotech industry. The Company plans to hire a Chief Business Officer to lead corporate development and business development efforts for the combined company.

Biographies of the proposed Management team and Board of Directors are attached to this letter.

About the Proposed Merger

Pursuant to the merger agreement, Polyphor will offer to acquire all of the outstanding capital stock of EnBiotix in exchange for the issuance of newly issued shares of Polyphor common stock upon closing, subject to the satisfaction or waiver of customary closing conditions, including approval by Polyphor and EnBiotix's shareholders, satisfactory completion of due diligence and satisfactory assessment of tax consequences. Upon completion of the merger, former EnBiotix equity holders (including investors of the planned financing round) are expected to own approximately 74-77% of Polyphor's common stock. Polyphor's current shareholders are expected to own approximately 23-26 % of Polyphor's issued common shares following the closing of the merger.

The Board of Directors of Polyphor has appointed a company specialized in providing independent assessment and valuation of technology-driven companies in growth industries to assess the business activities of EnBiotix. The board of directors concluded that the value attributed to EnBiotix's contribution in the proposed combination fairly reflects its market value.

Closing

Subject to a positive vote at the Polyphor Extraordinary Shareholders' Meeting and other closing conditions, the EnBiotix-shares are expected to be exchanged for the newly issued Polyphor shares in Q4 2021 and subsequently listed on the SIX Swiss Exchange under the name Spexis AG. Following the merger, the existing Polyphor shares will remain listed on SIX under the name Spexis AG.

With this letter, you are receiving an invitation to the Extraordinary General Meeting of Shareholders for October 28, 2021, at which the necessary resolutions are to be passed. While we are aware that the additional share base resulting from this transaction is substantial, we firmly believe that this transaction offers our shareholders the best way to create lasting value.

Proposed members of the Board of Directors for nomination:**Jeffrey D. Wager, M.D.**

Chairman of the Board of Directors and Chief Executive Officer

Between 2011-2017, Jeff Wagner was co-creator and board observer to Grupo Biotoscana SL, a Latin American specialty pharma roll-up financed by Advent International and Essex Woodlands Healthcare Ventures, focused on cancer, infectious and rare diseases, leading to its USD 1 billion 2017 IPO on sales of ~\$240M and 600 staff in 10 LatAm markets. From 2006 – 2010, he formed and led Artisan Pharma, Inc. as its founding CEO, raising \$53M, building the entire team and implementing a 750 patient, 17 country Phase IIb/III study ultimately leading to Artisan’s acquisition by Asahi Kasei Pharma Corporation (Japan) in 2011. In 2000, Jeff formed Apeiron Partners, a FINRA-registered life sciences investment bank focused on corporate spin-outs, M&A, corporate venture capital and principal investments. In the process, successfully completed six spin-outs, including Targacept, Inc. (NASDAQ: TRGT), Artisan Pharma (from Asahi Kasei), Biocritica (\$120M annual revenue Xigris® franchise from Eli Lilly) and KBI BioPharma (acquired by JSR Corporation (Japan)). Between 2003 and 2006, advised on the establishment and investment of Z-Cube s.r.l., the €60M corporate venture fund of the Zambon Group, a privately held Italian pharmaceutical company. Between 1995-2000, Jeff was with Medical Science Partners, a Harvard-founded VC fund focused on forming spin-outs from the Harvard medical system, including deCODE, ICAGEN, Inspire, Oravax (subsequently Acambis), ZYCOS, Inc. and Diatide, amongst others. Jeff Wager began his career with a life sciences unit of the Bank of Tokyo, where he led business development, responsible for helping Japanese pharmaceutical clients establish overseas affiliates, design, and conduct overseas clinical development and structure strategic alliances. Jeff is also a co-founder and Chairman of Proterris, Inc., a phase II/III clinical-stage firm focused on therapeutic uses of low-dose gaseous and small molecule carbon monoxide for transplant, fibrosis, and oncology indications. Jeff Wager earned his MD from Rush Medical College and his MBA from the University of Chicago.

Dennis Ausiello, M.D.

Dennis A. Ausiello is the Jackson Distinguished Professor of Clinical Medicine at Harvard Medical School. He is concurrently the Director, Emeritus of the Harvard Medical School’s M.D./Ph.D. Program. He is also Chair of Medicine, Emeritus, and Director of the Center for Assessment Technology and Continuous Health (CATCH) at Massachusetts General Hospital. Dennis was the former Lead Director of the board of directors at Pfizer, Inc. Previously, and served as an editor of Cecil’s Textbook of Medicine. Dennis Ausiello serves on the board of directors of Alnylam Pharmaceuticals and Seres Therapeutics, Inc. and previously served on the board of directors of Pfizer, where he currently serves on the advisory board. Dennis received his B.S. from Harvard College and his M.D. from the University of Pennsylvania School of Medicine. Throughout his career, Dennis Ausiello has made substantial contributions to the study of epithelial biology in the areas of membrane protein trafficking, ion channel regulation and signal transduction, and has published numerous articles, book chapters and textbooks.

Dan Hartman, M.D.

Dan Hartman is currently Director, Integrated Development for the Gates Foundation, leading a team that provides technical expertise in product development to other foundation teams and their partners. He joined the foundation in 2012 in his current role and served simultaneously as interim director of the Malaria team from 2016 to 2018. Dan has extensive management and pharmaceutical experience. Before joining the foundation, he served for four years as president and CEO of Great Lakes Drug Development, a consulting company providing strategic and operational support for early drug development projects. Previously, he served as senior vice president of product development at deCODE genetics, executive director of Pfizer Global Research and Development, and vice president of global clinical development at Esperion Therapeutics, and he held clinical research positions at Eli Lilly & Company. He has also provided consultation to the biopharmaceutical venture capital community and serves as a member/advisor on several nonprofit boards. Dan served as a member of the National Institutes of Health's National Center for Advancing Translational Sciences and Cures Acceleration Network advisory board from 2016 to 2019 and was president of the American Society for Clinical Pharmacology & Therapeutics. Dan Hartman has received numerous awards, including Inventor of the Year from the Intellectual Property Owners Association. He received his bachelor's degree from Calvin College and his medical degree from Wayne State University. Dan was trained in internal medicine and completed a fellowship in pulmonary medicine at Indiana University, where he also served as chief medical resident.

Robert Clarke, Ph.D.

Robert Clarke has served as Chief Executive Officer / Board Member / Co-founder of Kinaset Therapeutics since 2020. He was previously Chief Executive Officer at Pulmatrix Inc. (NASDAQ: PULM), a clinical-stage respiratory drug delivery company, from 2012 to 2019 and successfully brought the company public in 2015. He joined Pulmatrix in 2004 as the first Ph.D.-level scientist and was appointed Chief Scientific Officer in 2010. In that role he was focused on developing the Pulmatrix technologies for the treatment of respiratory diseases. During his tenure as Chief Executive Officer, Pulmatrix raised more than \$50 million in public equity, \$80 million in venture capital funding and more than \$10 million in non-dilutive funding to support the company's development programs. Prior to his tenure at Pulmatrix, Robert was Associate Director, Life Sciences at Alkermes. He holds Board seats at several institutions including Johns Hopkins University and Boston University College of Engineering. Robert Clarke holds a Ph.D. in physiology from Johns Hopkins University and completed his post-doctoral training in respiratory biology at Brigham and Women's Hospital and Harvard University.

Planned new member of the management team:

Juergen Froehlich, M.D.

Chief Medical Officer

Juergen Froehlich's career in biotechnology spans three decades and covers a broad range of drug development successes. It includes strategic planning and execution of early and late stage drug development and regulatory interactions across therapeutic areas such as cerebrovascular, cardiovascular, pulmonary, metabolic, genetic and infectious disorders. He has worked with biologics, peptides, small molecules, and RNA therapeutics at companies including Boehringer Ingelheim, Genentech, Quintiles, Bristol-Myers-Squibb, Ipsen, Vertex, Aradigm and Genevant. Since 2005, he has

mainly been involved with rare diseases including bronchiectasis, cystic fibrosis, non-tuberculous mycobacteria infection, acromegaly, neuroendocrine tumors, urea cycle disorders cervical dystonia and hemophilia. Juergen was instrumental in obtaining successful marketing authorizations in the US, EMA and other countries for ODD designated products in cystic fibrosis, acromegaly and cervical dystonia. As Chief Medical Officer and Head of Regulatory Affairs of Aradigm Corporation, he initiated, oversaw, and completed a Phase III trial program with inhaled liposomal ciprofloxacin in patients with bronchiectasis and chronic Pseudomonas aeruginosa lung infection. Juergen Froehlich was an invited panel member at a U.S. Food and Drug Administration (FDA) workshop in 2018 for inhaled antibiotics in cystic fibrosis and bronchiectasis.

Sincerely,



Kuno Sommer



Gökhan Batur